



DEPARTMENT OF THE NAVY
NAVAL FACILITIES ENGINEERING COMMAND
WASHINGTON NAVY YARD
1322 PATTERSON AVENUE SE SUITE 1000
WASHINGTON, DC 20374-5065

IN REPLY REFER TO
ACQ 021
9 Aug 02

MEMORANDUM FOR NAVFAC ACQUISITION PERSONNEL

**Subj: EXTENSION OF THE PILOT PROGRAM PROVIDING A CLASS WAIVER
FROM SYNOPSISING SERVICES ACQUIRED FROM COMPETITIVE SMALL
BUSINESS (02-13)**

**Ref: (a) ASN (RDA) Memo of 17 Nov 01
(b) NAVSUP ltr 4200 Ser 21B1/0071/SA00-05 of 22 Mar 00**

Encl: (1) NAVSUP ltr 4200 Ser 21B1/0071/SA02-02 of 19 Dec 01 w/encl

1. As one way to streamline small dollar acquisitions of services, the Department of the Navy waived the synopsis requirement for services, acquired from competitive small businesses, between \$25,000 and \$100,000. Enclosure (1) extends that waiver until 30 September 2004.

2. Each office using the waiver shall provide the contract number, dollar amount, and date of award on a monthly basis for each purchase action that uses the class waiver. The report shall be provided each month via email to Mr. Clay Welker at clay_w_welker@navsup.navy.mil. In addition, each contracting office must maintain metrics on customer satisfaction resulting from the use of the class synopsis waiver. This can be measured by reductions in Procurement Administrative Lead Time (PALT), lower prices, or comments from customer satisfaction surveys.

A handwritten signature in black ink, appearing to read "Michael F. Howard", is located below the text of the memorandum.

MICHAEL F. HOWARD
Director, Acquisition Strategic Programs



DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND
5450 CARLISLE PIKE
PO BOX 2050
MECHANICSBURG PA 17055-0791

TELEPHONE NUMBER
COMMERCIAL
AUTOVON
IN REPLY REFER TO:
4200
Ser21B1/2051
SA02-02
19 Dec 01

From: Commander, Naval Supply Systems Command

Subj: EXTENSION OF THE PILOT PROGRAM PROVIDING A CLASS WAIVER
FROM SYNOPSISING SERVICES ACQUIRED FROM COMPETITIVE SMALL
BUSINESS

Ref: (a) ASN(RDA)Memo of 17 Nov 01
(b) NAVSUP ltr 4200 Ser 21B1/0071 SA00-05 of 22 Mar 00

Encl: (1) NAVSUP ltr 4200 Ser21B1/0015 of 17 Nov 99
(2) ASN(RDA)Memo of 4 February 2000
(3) OFPP/SBA ltr of 27 September 2001
(4) Amendment of Class Determination and Findings

1. Reference (a) authorized Naval Supply Systems Command (NAVSUP) to issue Department of Navy (DON) policy on the use of the class waiver eliminating the requirement for synopsising proposed acquisitions of competitive small business services between \$25,000 and \$100,000. The pilot program was originally scheduled to expire 30 June 2001 and has been extended until 30 September 2004. Reference (b) established the original DON policy on implementing and using the class waiver. Enclosures (1) and (2) are the original request and approval for NAVSUP to implement the pilot program. Enclosures (3) and (4) are the Small Business Administration memorandum extending the pilot program and the amended Class Determination and Findings from ASN (RD&A) authorizing Naval Supply Systems Command to extend the use of the pilot program. The purpose of this policy letter is to provide notice of the extension of the pilot program and provide current guidance on reporting requirements for contracting officers when using this class waiver.

2. The Small Business Administration (SBA) and Office of Federal Procurement Policy (OFPP) established this program to promote small, small disadvantaged and women owned participation in Federal Procurements. Based on requests from Federal Agencies and Defense Department activities SBA and OFPP extended the program based on usage data as well as anecdotal evidence of the program's success. The purpose of extending the class waiver is to confirm actual usage data during the extension period. Therefore, during the extension period the Department is required to maintain and provide metrics on DON usage of the class waiver. Paragraph 3, of reference (b) is revised to require the following reporting requirement:

Subj: EXTENSION OF THE PILOT PROGRAM PROVIDING A CLASS WAIVER
FROM SYNOPSISING SERVICES ACQUIRED FROM COMPETITIVE SMALL
BUSINESS

For the purpose of the remainder of the pilot program contracting offices and officers using the class waiver shall provide the contract number, dollar amount and date of award on a monthly basis for each purchase action that uses the class waiver of synopsis. Contracting offices and officers using the class waiver shall provide a monthly report via e-mail to Mr. Clay Welker at clay_w_welker@navsup.navy.mil. Negative responses are not required. In addition, contracting officers shall maintain qualitative measures of the pilot's success as identified by paragraph 3 of reference (b) and be able to report them out in September of 2002.

3. The pilot program supports contracting with small, small disadvantaged and women owned businesses. In addition, it provides a streamlined process by which contracting officers can award procurement actions between \$25,000 and \$100,000. We encourage DON contracting offices and officers to use this pilot program to the greatest extent practicable in the contracting process.

4. Point of contact for questions regarding this letter is Mr. Clay Welker, DSN 430-7502, 717-605-7502, or via e-mail at clay_w_welker@NAVSUP.NAVY.MIL.



ALBERT FANELLI
By direction

Distribution:

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DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND
5450 CARLISLE PIKE
PO BOX 2050
MECHANICSBURG PA 17055-0751

TELEPHONE NUMBER
COMMERCIAL
AUTOVON

IN REPLY REFER TO:
4200
Ser21B1/0015

NOV 17 1999

MEMORANDUM FOR THE ASSISTANT SECRETARY OF THE NAVY (RESEARCH,
DEVELOPMENT AND ACQUISITION)

Subj: PROPOSED CLASS WAIVER TO SYNOPSIS REQUIREMENT FOR
ACQUIRING SERVICES FROM COMPETITIVE SMALL BUSINESS

Ref: (a) FAR Subpart 5.2
(b) Memorandum for Agency Procurement Executives and the
Deputy Under Secretary of Defense of 28 Jul 98

Encl: (1) Sample Letters

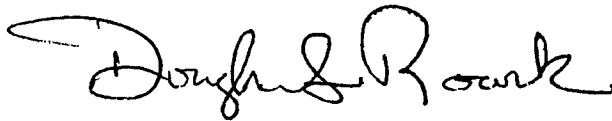
1. Reference (a) requires agencies to furnish for publication in the Commerce Business Daily notices of proposed contract action exceeding \$25,000. Reference (b) provides notice of a mechanism developed by the Small Business Administration (SBA) and Office of Federal Procurement Policy (OFPP) designed to streamline small dollar acquisitions of services with an estimated dollar value of greater than \$25,000 but not exceeding \$100,000. In addition, reference (b) recommends agencies issue a class waiver of the synopsis requirement for acquiring competitive small business services. The waiver of synopsis in conjunction with the use of simplified acquisition procedures will authorize DON contracting officers when using the revised procedures to solicit competition from five responsible small business sources thereby reducing the time and administrative effort required to solicit and award small dollar requirements. The effect will be to streamline the procurement process for DON contracting officers while increasing opportunities for small business to participate in DON acquisitions.

2. As the executive agency for DON Simplified Acquisition Policy, we recommend that a DON class waiver eliminating the requirement for synopsisizing proposed acquisitions of competitive small business services over \$25,000 be issued. We expect that the class waiver of synopsis, in conjunction with the use of simplified acquisition procedures, will improve business practices for DON contracting officers and buyers. They will also be able to take advantage of the services offered by competitive small business.

3. Enclosure (1) provides sample letters for notifying Small Business Administrator (SBA) and Office of Federal Procurement Policy (OFPP) of the your decision to issue the class waiver and use small purchase procedures to effect awards for competitive small business services.

Subj: PROPOSED CLASS WAIVER TO SYNOPSIS REQUIREMENT FOR
ACQUIRING SERVICES FROM COMPETITIVE SMALL BUSINESS

4. My point of contact for this request is Mr. Clay Welker,
717-605-7502, DSN 430-7502 or e-mail
Clay_W_Welker@navsup.navy.mil.

A handwritten signature in black ink, appearing to read "Douglas S. Roark". The signature is fluid and cursive, with a large initial "D" and a stylized "R".

D. S. ROARK
By direction



DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000
FEB 04 2000

MEMORANDUM FOR COMMANDER, NAVAL SUPPLY SYSTEMS COMMAND

Subj: PROPOSED CLASS WAIVER TO SYNOPSIS REQUIREMENT FOR
ACQUIRING SERVICES FROM COMPETITIVE SMALL BUSINESS

Ref: (a) COMNAVSUP ltr of November 17, 1999

Encl: (1) Class Determination & Findings
(2) OFPP/SBA memo of January 19, 2000

Reference (a) requested a class waiver eliminating the requirement for synopsisizing proposed acquisitions of competitive small business services between \$25,000 and \$100,000. Enclosure (1) provides the requested waiver for your action and implementation. Please note the specific limitations included, especially the expiration date of June 30, 2001.

Enclosure (2) documents our consultation with, and the concurrence of, the Office of Federal Procurement Policy and the Small Business Administration. Please pay particular attention to their request to help measure the impact of this determination on the Navy's ability to take better advantage of the services offered by competitive small businesses in meeting our needs, as well as their request (in the attachment to the letter) to submit comments to the OFPP Administrator by November 1, 2000. Please provide your proposed comments to the Deputy for Acquisition and Business Management by not later than October 1, 2000.

Paul A. Schneider
Paul A. Schneider
Principal Deputy

Enclosure (1)



THE ASSISTANT SECRETARY OF THE NAVY
(Research, Development and Acquisition)
WASHINGTON, D.C. 20350-1000

CLASS DETERMINATION AND FINDINGS
DEPARTMENT OF THE NAVY
WAIVER OF SYNOPSIS REQUIREMENTS

FINDINGS

The requirement to provide widespread notice and generally a 45-day notice-and-wait period for acquisitions over \$25,000 limits the efficiency of the source selection/award process for acquisitions processed under simplified acquisition procedures.

Waiver of the synopsis requirement set forth in FAR Subpart 5.2, in combination with use of the simplified acquisition procedures set forth in FAR Part 13, will enable activities to quickly solicit competition from a minimum of five responsible small businesses.

A waiver will thus permit activities to take better advantage of the services offered by competitive small businesses.

DETERMINATION

I hereby determine that advance notice of the following class of contract actions is not appropriate or reasonable, and waive the synopsis requirements of FAR Subpart 5.2 for these actions:

- Acquisitions under FAR Part 13 for services (other than those exempted from set-asides under the Small Business Competitiveness Demonstration Program) which are set aside for small businesses, in amounts over \$25,000, but not exceeding the Simplified Acquisition Threshold, of which supply items are expected to constitute less than 20% of the total value of the contract.

This determination is subject to the following limitations:

- Quotes or offers must be solicited from a minimum of five small business concerns;
- SBA's PRO-Net will be used to identify and solicit bids from a minimum of five small businesses, which will include, if available, at least one small disadvantaged and one women-owned firm; and
- Two sources not included in the previous solicitation for the same services will be solicited, if practicable.
- This waiver expires on June 30, 2001.

Approved: Paul G. Schaefer

2/4/00
Date



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
PROCUREMENT POLICY

January 19, 2000

Dr. H. Lee Buchanan
Assistant Secretary of the Navy
Research, Development and Acquisition
1000 Navy Pentagon
Washington, DC 20350-1000

Dear Dr. Buchanan:

Thank you for your memorandum of January 5, 2000 regarding your department's determination, under FAR Subpart 5.2, to waive advance notice in the Commerce Business Daily (CBD) when acquiring services between \$25,000 and the simplified acquisition threshold from competitive small businesses. The waiver would apply under the circumstances described in the July 28, 1998, OFFP/SBA memorandum entitled "Streamlined Acquisition of Services from Small Businesses under the Simplified Acquisition Threshold."

We have reviewed your memorandum and do not object to your department's determination, pursuant to FAR 5.202(b), that such advance notice of individual procurements is not appropriate or reasonable in the circumstances described in the determination. This assumes that the determination will terminate no later than June 30, 2001, and that each relevant contract action will be awarded in accordance with the policies and procedures prescribed in FAR 13.104 with regard to promoting competition to the maximum extent practicable.

We request that you help us measure the impact of your determination to waive the CBD advance notice requirement. We are especially interested in whether the waiver is enabling your department to take better advantage of the services offered by competitive small businesses (i.e., providing a tool by which to quickly solicit competition and make award) in meeting your department's needs. As noted in the enclosure, we will use your department's data in the Federal Procurement Data System (FPDS) to estimate the volume of purchases under the program.

Thank you for participating in this effort. Should you have any questions, please contact Karen Maris of OFPP on 202-395-4955. We look forward to working with your department to achieve what we hope will be a success for both small businesses and the government.

Sincerely,



Deidre A. Lee
Administrator
Office of Federal Procurement Policy



James C. Ballentine
Associate Deputy Administrator
for Government Contracts and
Minority Enterprise Development
Small Business Administration

Enclosure

Reporting Procedures

Your Department should continue to report all contract actions for services between \$25,000 and \$100,000 using the existing FPDS reporting instructions. OFPP and SBA will use FY 99 data to establish a baseline that identifies actions and dollars for services between \$25,000 and \$100,000 from small, small disadvantaged, and women-owned small businesses and large businesses. The baseline will include new definitive contracts (SF 279, Item 9, Code C), simplified acquisitions (SF 279, Item 9, Code D), and task orders under basic ordering agreements and indefinite delivery contracts (SF 279, Item 9, Codes E, F, and L) that have been synopsisized prior to award. We will provide a baseline report to your Department as soon as the FY 99 FPDS data becomes available. At the end of FY 00, we will work with you to evaluate the FPDS data to determine if there has been a decrease in the number of task orders between \$25,000 and \$100,000 awarded to large businesses and an increase in new definitive contracts and simplified acquisitions awarded to small, small disadvantaged, and women-owned small businesses as a result of the waiver.

To supplement the FPDS data, we are interested in your general thoughts and impressions regarding the effectiveness of the waiver (e.g., time savings, user satisfaction, source identification). Please submit comments to the OFPP Administrator by November 1, 2000.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OFFICE OF FEDERAL
PROCUREMENT POLICY

SEP 27 2001

MEMORANDUM FOR AGENCY SENIOR PROCUREMENT EXECUTIVES

FROM:

Hector V. Barreto
Administrator
Small Business Administration

Angela B. Styles
Administrator
Office of Federal Procurement Policy

SUBJECT:

Extension of the Pilot Program on Acquisition of Services
from Small Businesses

The U.S. Small Business Administration (SBA) and the Office of Federal Procurement Policy (OFPP) are extending the pilot program that allows for the waiver of the synopsis requirement in the Federal Acquisition Regulation (FAR) Subpart 5.2 when agencies acquire services valued between \$25,000 and \$100,000 from small businesses. SBA and OFPP established this pilot program to increase opportunities for small businesses by providing agencies with a more efficient process for acquisitions in this dollar range. The pilot program is extended through September 30, 2004.

Waiver of the synopsis requirement, in combination with use of the simplified acquisition procedures set forth in FAR Part 13, enables agencies to quickly solicit competition from a minimum of five responsible small businesses. This, in turn, may permit agencies to take better advantage of the services offered by competitive small businesses. In addition, agencies benefit from a process that may match the efficiencies realized when an agency uses the Federal Supply Schedules, government-wide acquisition contracts, or multi-agency contracts.

Before determining to waive the synopsis requirement, agencies must consult with SBA and OFPP, as provided in FAR 5.202(b). SBA and OFPP have concluded that waiver of the synopsis requirement under the pilot program is reasonable when agency determinations meet the following conditions:

- (1) acquisitions covered by the waiver are for services (excluding those exempted from set-asides under the Small Business Competitiveness Demonstration Program) in amounts over \$25,000, but not exceeding the simplified

Enclosure (2)

acquisition threshold (which is currently at \$100,000), of which supply items are expected to constitute less than 20 percent of the total value of the contract;

- (2) the covered acquisitions will be set-aside for small businesses;
- (3) the determination states that quotes or offers for covered acquisitions will be solicited and obtained from a minimum of five small business concerns;
- (4) the determination states that the Procurement Marketing and Access Network (PRO-Net) will be used to identify and solicit bids from a minimum of five small businesses; and
- (5) the determination states that, if practicable, two sources not included in the previous solicitation for the same services will be solicited.

If your agency is not currently participating in the pilot program, and you would like to participate, you may do so by submitting a determination that meets the above conditions to SBA and OFPP by October 31, 2001. If your agency is already participating in the pilot program, you may extend your determination without first consulting SBA and OFPP, provided that your determination includes the above conditions. Any agency that wants to discontinue its participation in the pilot program should notify SBA and OFPP by October 31, 2001.

When SBA and OFPP initiated the pilot program, in order to minimize the reporting burden on the agencies, the Federal Procurement Data System (FPDS) reporting requirements were not changed. This has limited our ability to effectively evaluate whether the pilot actually is meeting its stated goals. Therefore, revisions have been made to the FPDS reporting requirements which provide for the addition of a new code "D" (Not Synopsized Under the SBA/OFPP Waiver Pilot Program) in Item 23 on the Individual Contract Action Report (SF 279). The new code "D" will allow agencies to identify contracts awarded under the pilot program. This change is included in Amendment 7 to the FPDS Reporting Manual, which becomes effective on October 1, 2001.

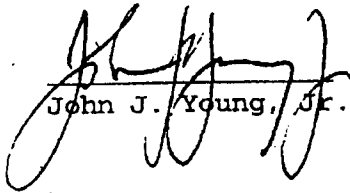
SBA will administer the pilot program and evaluate results. Questions regarding this memorandum should be directed to Sheryl Swed, Office of Government Contracting, SBA, on 202-205-6413.



THE ASSISTANT SECRETARY OF THE NAVY
Research Development and Acquisition
1000 Navy Pentagon
Washington DC 20350-1000

**AMENDMENT OF CLASS DETERMINATION AND FINDINGS
DEPARTMENT OF THE NAVY
WAIVER OF SYNOPSIS REQUIREMENTS**

Class Determination and Findings Waiver of Synopsis Requirements dated February 4, 2000 is hereby amended by deleting, "This waiver expires on June 30, 2001", and substituting in lieu thereof, "This waiver expires on September 30, 2004".


John J. Young, Jr.

17 Nov 01
Date